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Food Business Line - Periodic Press Translations from ATO Tokyo

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Report Highlights: *Don Quijote Co., Ltd.*, a general merchandise discounter to enter the convenience store market; *Life Corporation* to promote the Japan Ministry of Agriculture and Ministry of Health's shokuiku (food education) program in their stores; *Rex Holdings Co., Ltd* to expand its entry into the retail segment; Two major coffee bean suppliers in Japan to create new franchise outlets to compete against the large scale chains like *Starbucks, Japan*; Cabbages are discarded in districts where prices remain low; The Ministry of Finance reports liquor imports declined during the first half of the year and; USMEF holds an "American Pork Stadium Party" for 800 guests during an NFL pre-season game, with the Governor of Indiana in attendance.

Includes PSD Changes: No
Includes Trade Matrix: No
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[JA]



Food Business Line

Periodic Press Translations from ATO Tokyo Vol. V, Issue 13 August 15-31, 2005

Retail/Wholesale

- *Don Quijote Co., Ltd.*, a general discount store chain, will be the largest single stockholder of the bento take-out lunch and HMR chain, *Origin Toshu Co., Ltd.* The move is to allow *Don Quijote Co.Ltd.*, to compete with late-night convenience stores and supermarkets. Don Quijote requested cooperation with *Origin Toshu Co. Ltd.*, to open outlets in some of the discounter's stores. (b. 8/15)
- *The Seiyu Co., Ltd.* will start opening new "Wal-Mart" supermarkets beginning in 2006. The Japan "Wal-Mart" stores will be jointly developed with Wal-Mart Stores (U.S.), which will also increase their investment in Seiyu within 2005. (1. 8/17)
- *Life Corporation* has started using and promoting the "Food Balance Guide" created by MAFF and MHLW for the store's "Shokuiku (food education) program at its outlets. Display panels around the store relay information to the consumers about the ideal daily balanced diet. In addition, stores broadcast information about the ideal daily balanced diet every 15 minutes in the store. (f. 8/29)
- *Rex Holdings Co., Ltd.*, recently created by *Reins International* as its new holding company, is the food service company operating the "Gyukaku" Korean barbecue restaurant chain. The holding company plans an expansion of its newly acquired high-end convenience store chain, called "Seijo Market", targeting the highest income groups. The expectation is to open 218 outlets in the Metropolitan area by the end of 2008. (Yomiuri 8/25)

Food Service

- Two major coffee bean suppliers in Japan, *UCC Ueshima Coffee Co., Ltd.* and *Key Coffee Co., Ltd.* will start new franchise businesses to stave off competition against their small café customers from the continued expansion of the major café chains such as Starbucks. UCC will start franchising a café concept called "Ueshima Kohi-Ten", targeting the middle-to-senior aged customer. Through its subsidiary, Italian Tomato Co., Ltd., *Key Coffee* started expanding its new café concept, "Italian Tomato Café Junior". (b. 8/15)
- Food service companies are pressed to take measures to meet the new "Food Recycle Law". They must decrease annual waste accumulations by 20% by the end of 2006 by saving and recycling waste generated by their food service business. (b. 8/15)
- *Tully's Coffee Japan Co., Ltd.* will acquire the Intellectual Property Rights including the trademark of "Tully's" from Tully's Coffee Corporation (Seattle) in September. (b. 8/26)

Food Processing/New Products/Market Trends

- Japan Millet Association will establish a Millet Sommelier system to offer millet experts this new qualification. Grains, particularly Japan's varieties of rice have been popular in Japan following the health boom and, the association is planning to increase exposure even more by use of this new qualification system. (b. 8/15)
- Importers of French "Beaujolais Nouveau" have already started taking orders and planning promotional activities in advance of the opening day of November 17. (a. 8/17)

- Cabbages were discarded in various producing districts, due to low market prices coinciding with a good harvest. (b. 8/22)
- All major beverage companies in Japan are expected to decrease the weight of pet bottles, as part of their efforts to support the ecology of Japan and the increased price of resin due to high petroleum prices. (a. 8/24)
- According to the report from the Japan Customs Office of The Ministry of Finance, liquor imports for the first half of the calendar year decreased, while 1-150 liter bulk wine increased by 20%. (f. 8/25)

Food Safety/Consumer Awareness

- No significant articles.

ATO/Cooperator/Competitor Activities/Trade Shows

- USMEF invited 800 guests who were VIP ticket holders of “NFL Tokyo 2005” to the “American Pork Stadium Party” on August 6 at Tokyo Dome. During the game, USMEF’s event promoted the good taste of U.S. pork using sample tasting, information display panels and pamphlets. An Indiana delegation led by Governor Mitch Daniels joined in the event to promote U.S. pork. According to the result survey, many participants responded that U.S. pork was more tender and moist than they expected. (f. 8/20)
- California Raisin Administrative Committee’s activities have been very conspicuous. Recently, it held a healthy menu seminar, a technical seminar featuring raisin in Japanese cuisine, a new confectionary development contest and a consumer campaign. (f. 8/29)

☞ Sources ☞

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|----------------------------------|---|
| (a) The Japan Economic Newspaper | (b) The Nikkei Marketing Journal |
| (c) The Japan Food Journal | (d) The Beverage & Food News Commentary |
| (e) The Japan Food News | (f) The Food Industry News |
| (g) Fuji Sankei Business I | (h) Pan News |

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